

that did not pose an immediate or realistic threat to the national security of our Nation. No weapons of mass destruction have been discovered in Iraq, despite intense efforts to locate them.

The brutal regime of Saddam Hussein and its terror on Iraqi society has been replaced by the brutality and chaos of an ongoing war, which has ravaged the land, ransacked cherished aspects of Iraqi history and culture, and threatened the prospect of what even U.S. intelligence analysts fear could be a civil war.

More than 1,400 U.S. military personnel have lost their lives, and more than 10,000 have been wounded in Operation Iraqi Freedom. Over 5,000 of the wounded casualties have been severe enough to prevent return to action. Quoting from a front page story in the January 26, 2005 issue of U.S. Today, it says: "The Baptists look upon the sorrow, suffering, and financial cost of the war in Iraq and remember the words of Martin Luther King, Jr., a black Baptist preacher who challenged the military engagement in Vietnam more than two generations ago.

King's call that we admit the wicked and tragic folly about our self-righteous choice for war rather than peace and nonviolent change reminds us that preference for war always reflects the wrong values. Unnecessary and unjust war does not produce genuine peace, only death, suffering, more violence and more hate.

What King said in 1967 when he began his public outcry against the war in Vietnam is still true today. "A true," to quote him, "revolution of values will lay hands on the world order and say of war: 'This business of settling differences is not just.' This business of filling our Nation's homes with orphans and widows, of injecting poisonous drugs of hate into the veins of people normally humane, of sending men home from dark and bloody battlefields physically handicapped and psychologically deranged, cannot be reconciled with wisdom, justice, love or an election.

□ 1845

"A Nation that continues year after year to spend more money on military defense than on programs of social uplift is approaching spiritual death. There is nothing except a tragic death wish to prevent us from reordering our priorities so that the pursuit of peace will take precedence over the pursuit of war."

As religious leaders whose constituents have family members in the U.S. Armed Forces serving in Iraq and elsewhere around the world, we pray for the security of our Nation and the safety of our military personnel. We weep with families who mourn the deaths of their loved ones, and we share the anxiety of families concerning the well-being of those who press on in service.

Our call that our Nation end its military involvement in Iraq does not rise from a lack of support for our Armed

Forces, disregard for national security, or lack of resolve concerning freedom and democracy. Rather, we are concerned about our troops and our military families whose loved ones have been ordered to fight and stay in a war that our leaders refuse to even send their own children and the children of the wealthy into.

Mr. Speaker, I implore the President to bring our troops home now.

As religious leaders whose constituents have family members in the U.S. armed forces serving in Iraq and elsewhere around the world, we pray for the security of our nation and the safety of our military personnel. We weep with families who mourn the deaths of their loved ones and we share the anxiety of families concerning the well-being of those who press on in service. Our call that our nation end its military involvement in Iraq does not rise from lack of support for our armed forces, disregard for national security, or lack of resolve concerning freedom and democracy. Rather, we are concerned about our troops and our military families whose loved ones have been ordered to fight and stay in a war that our leaders refuse to even send their own children and the children of wealthy families to fight. Again, we quote Dr. King's words:

I am as deeply concerned about our troops there [Vietnam] as anything else. For it occurs to me that what we are submitting them to in Vietnam is not simply the brutalizing process that goes on in any war where armies face each other and seek to destroy. We are adding cynicism to the process of death, for they must know after a short period there that none of the things we claim to be fighting for are really involved. Before long they must know that their government has sent them into a struggle among Vietnamese, and the more sophisticated surely realize that we are on the side of the wealthy and the secure while we create a hell for the poor.

The war in Iraq is not only creating a hell for the poor in Iraq. The grief and suffering it has wrought have been disproportionately forced onto the lives of poor and struggling families in our nation. These families, far more than those who are wealthy, send their loved ones to serve as members of the active force or as reservists and members of the National Guard. It is not just or patriotic for our leaders to thrust the sons and daughters of low income families into unnecessary military engagements.

The SPEAKER pro tempore. (Mr. BARRETT of South Carolina). Under a previous order of the House, the gentleman from Texas (Mr. CUELLAR) is recognized for 5 minutes.

(Mr. CUELLAR addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

#### SOCIAL SECURITY REFORM

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 2005, the gentleman from Florida (Mr. SHAW) is recognized for 60 minutes as the designee of the majority leader.

#### GENERAL LEAVE

Mr. SHAW. Mr. Speaker, I ask unanimous consent that all Members may

have 5 legislative days within which to revise and extend their remarks on the subject of my Special Order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. SHAW. Mr. Speaker, President Bush has made it clear that the time has come for an honest, straightforward, realistic discussion about the future of our precious Social Security system. For today's generation of senior citizens, the system is strong and fiscally sound, but younger workers are concerned about whether Social Security will be around for them when they need it.

The problem is simple. With an aging population and a steadily falling ratio of workers to retirees, the system is on a course to eventual bankruptcy. Here is the problem, and this is best demonstrated on the graph next to me.

Social Security was designed in 1935 for a different world than the one we live in today. It is a pay-as-you-go system in which the benefits go to current retirees and they come directly from the payroll taxes of current workers. When the program was still new in the 1940s, there were 41 workers paying in for every retiree drawing benefits. By 1950, 16 workers paid in for every person drawing out. Today it is about three workers for every beneficiary. And by the time our youngest workers turn 65, the ratio will be down to two workers for each beneficiary.

At present, Social Security operates with a substantial cash surplus. In just a few years, when the baby boomers retire and begin collecting benefits, the surplus will begin to decline. Then, in 2018, that is just 13 years away, Social Security will begin paying out more than it receives in payroll taxes. From then on the shortfalls will grow larger and larger every year until 2042 when the Social Security trustees estimate the system will reach fiscal collapse.

If we look at this chart, we can see we are here in a surplus situation, but then we get to 2018 and we start to dip down. We still have Treasury bills, and Congress is going to have to find the money to pay benefits. That line continues to go down with ever-increasing deficits for the next 75 years and beyond.

I want Members to notice the slope of this line. The further out, the more steep it gets, going down. And look at the figure, that is a \$26 trillion deficit in cash flow over the next 75 years. That is unacceptable. At that point, with a projected shortfall in trillions of dollars, the government will have no option other than to suddenly and dramatically reduce benefit payments by over 25 percent or to impose a massive economic, devastating tax increase on all Americans. And I am not talking about 2075, I am talking about right in here. Within 13 years from now, that decision is going to have to be made by a future Congress.

The longer we wait to address the coming crisis, the more difficult and

expensive the job will be down the line. So together, in this Congress, under the President's leadership, we will save Social Security and we will put it on a path to permanent solvency and stability.

To build a strong, workable, bipartisan reform, we must have principles that will guide the effort. First, there must be no changes in Social Security for those now receiving benefits or those who are close to retirement. Today's seniors can be certain nobody is going to touch their Social Security, nobody is going to take away the benefits of today's retirees and the program as they know it; it will stay the same for them.

Second, we must not increase the payroll taxes on the backs of American workers. If we were to increase taxes this year to fix Social Security, a family of four with an income of \$40,000 a year would see \$1,400 disappear from their paycheck. We cannot tax our way out of this problem. This is no longer an alternative.

Our third principle is to permit younger workers to have voluntary personal accounts. Regular investment would be made in bonds or stock, or a combination, throughout their careers, and then either use these investments to meet expenses in retirement or leave them as an inheritance to their children or grandchildren.

Social Security's future is more than a problem to be solved. It is also a tremendous opportunity for all of our citizens to become owners and investors. Many low-income workers who have nothing to spare after taxes would have a chance to begin saving for their later years. Personal accounts give Americans a retirement fund they control themselves and can call their own. Everyone deserves a chance to live the American dream, to build up savings and wealth, and to have a nest egg for retirement that no one can ever take away from them, not even the government.

Young workers who elect personal accounts can expect to receive a far higher rate of return on their money than the current system can ever afford to pay them. For example, if a 25-year-old invested \$1,000 per year for 40 years in Social Security's 2 percent rate of return, in 40 years she would have over \$61,000. But if she invested the money in the stock market earning even at its lowest historic rate of return, she would earn more than double that amount, \$160,000. If the individual earned the average historical stock market rate of return, she would have more than \$225,000 or nearly 4 times the amount to be extracted from Social Security.

Over time, the securities markets are the best, safest way to build substantial personal savings, and this is with widespread investments, not putting your money in one stock. These are wide investments and it is done professionally through investment houses.

Having your own account for Social Security is purely a voluntary option.

We are confident, however, that millions of Americans will find this option attractive. I cannot imagine any young person not taking this option.

Another argument against Social Security reform with a voluntary personal account is that the so-called transition costs will be too high. There will be costs no matter what we decide. Social Security's trustees report that each year we wait will add roughly \$600 billion to the cost of fixing Social Security for good. That cost is far in excess of any of the so-called transition costs that have been projected for any of the plans put forward by Members of Congress.

I would say here that we should also look at the cost of inaction, the cost of doing nothing: A \$26 trillion deficit over the next 75 years. What kind of a legacy is that to leave to our children and grandchildren?

We will need bipartisan commitment in the months ahead, yet we should not expect the work to be easy. Some have used this issue for political gains, but we should all understand that it is disgraceful to play politics with our children's future.

Let us look back a few years to the previous administration where we see that President Clinton said at the State of the Union address on January 21, 1998, "We will hold a White House conference on Social Security in December, and 1 year from now I will convene the leaders of Congress to craft historic bipartisan legislation to achieve a landmark for our generation, a Social Security system that is strong in the 21st century."

I went to that conference and we started to gather bipartisan support, but let us see what the Democrats said after that conference. HILLARY CLINTON, "One of the most critical challenges of our time is preserving and strengthening Social Security for future generations." First Lady CLINTON said this at a White House event on Social Security on February 17, 1999.

And then Senator KENNEDY said on ABC This Week on July 11, 1999, "The President has it right, and it is a position that I think virtually all of the Democrats support in the Senate, protect Social Security." I might say also this was partly made up of individual accounts, personal accounts that President Clinton championed.

But the one I like perhaps the best, the Senate minority leader when he said on Fox News Sunday on February 14, 1999, "Most of us have no problem with taking a small amount of the Social Security proceeds and putting it into the private sector."

This is what the leaders said then. What has happened now? Now we find that we have leadership that has dug in and is prohibiting their Members to even cooperate across the aisle, cooperate with Republicans, in saving this most important part of our government.

Social Security is a sacred trust, something that we all can rely on as

we grow older. It is one that we know our parents enjoyed and our kids will enjoy, and we want it for our grandchildren also. There is no excuse for our not getting together and working together. It is more important to save Social Security for future generations than worry about who is going to be the next Speaker of the House of Representatives in 2006. It is disgraceful to do otherwise.

Mr. Speaker, at this time I yield to the gentleman from Mississippi (Mr. WICKER).

Mr. WICKER. Mr. Speaker, I want to congratulate the gentleman for his remarks. We can save the Social Security system and also we can get a better deal for our young workers in retirement.

Let me make one quick point and see if I have it right. There are actually three aspects to the Social Security system. One is Social Security disability, another is the survivorship program, and the other is the old age retirement program.

I think what most of us are saying is, we can save the retirement program through these individual accounts, but we do not have to do one single change to disability. People do not have to worry about losing their disability and they do not have to worry about the survivorship. So if people raise that red herring, that is exactly what it is: It is a false charge. Nothing will be done to disability and nothing will be done to survivorship; is that correct?

Mr. SHAW. The gentleman from Mississippi (Mr. WICKER) is absolutely correct and understands it perfectly.

Mr. WICKER. Mr. Speaker, I just want our constituents to understand that, and I want the Members of this body to understand that. I thank the gentleman for his leadership on this issue.

We are not going to do anything to Social Security disability and survivorship, but we do need to give our younger workers an opportunity not only to save the system for their future, but to get a better deal than the one-half percent return or 1 percent return that they are getting now.

□ 1900

We can do better; and if we can, we certainly ought to for retirees now and also for future generations. And I thank the gentleman for yielding to me.

Mr. SHAW. Mr. Speaker, I say to the gentleman that he is absolutely right on target. It is not a question of can; it is a question of must. We must do this. And I would say from a very bipartisan way that if any of our colleagues on the other side of the aisle, the minority party, if they have an idea that they want to discuss, bring it over. I will be glad to talk. I have chaired this Subcommittee on Social Security for 6 years. I am no longer the Chair. The gentleman from Louisiana (Mr. MCCRERY) is now the Chair; the gentleman from California (Mr. THOMAS)

the Chair of the full committee. They are looking for ideas, and they are leaving the doors open for new ideas. So the Democrats cannot complain about being left out in the cold on this because we are soliciting their support. We are reaching out to them, and we want them to come down and come down with some good ideas. Not just come down and start throwing rocks at us. Come down with something positive.

One cannot possibly debate these fiscal facts. This is what we are heading for. And these are not Republican figures that we are looking at. This has been done by the Social Security Administration, and we had the same graph when President Clinton was President. So this is not a Republican-created bankruptcy or crisis. This is an actual crisis that is out there just because we are not having as many kids as we used to have and we are living longer.

There are a lot of good things to say about that, but when one starts talking about somebody to care for them in their old age, that is not a good deal. So we need to start forward-funding the system. We need to go to areas where we can actually make more than we would under the existing system.

Mr. Speaker, I yield to the gentleman from Texas (Mr. BRADY), a very valuable member of the Committee on Ways and Means.

Mr. BRADY of Texas. Mr. Speaker, I thank the chairman for yielding to me. First, let me join others in thanking him for his leadership on the Committee on Ways and Means as chairman for 6 years on the Subcommittee on Social Security, a resident and leader in Florida, which has a number of America's seniors who care so much about this issue.

Back in Texas I know that every senior I visited with in the Eighth Congressional District is worried about two things: their health care costs and their Social Security. Prescription drugs, the new technologies are doing just a wonderful job of creating a great quality of life, but it is so expensive. They are worried about getting generic drugs to the market faster so they do not have to pay so much for these pills. They want more preventative services under Medicare so they can detect that illness early and get treatment, prevent it rather than having it occur to them. And they want to make sure they can see doctors they know. All important issues on health care.

And they also want to make sure Social Security is there for them, for their children and for their grandchildren, with greater cost-of-living increases, that it is something that they can count on.

And for our seniors the great news is they are golden under Social Security. Virtually nothing that can even be contemplated will change for Social Security seniors, and that is the great news.

But our goal has to be to preserve Social Security once and for all for every

generation. Once and for all, meaning not another Band-Aid, because we have gone through this exercise before. We have raised payroll taxes. We have raised the age, and then in another 20 or 30 years we are right back where we started. Let us solve it once and for all. Secondly, let us solve it for every generation. We know that seniors above 55 are in very great shape with this. But the baby boomers, we know there is not enough funding for them. And the young people today, I just do not see how we take money from their paycheck, a promise to have it ready for them when they retire and we know for certain we cannot deliver on that promise.

And one thing we will hear in this debate is we will hear lots of people talking about we are dismantling Social Security, we are making huge benefit cuts, there is a guaranteed risk to personal accounts within Social Security. But what those same Members of Congress will not tell people is that they have their own retirement invested in personal accounts just like the one the President has proposed. In fact, Members of Congress, our staffs and our fellow co-workers invest \$15 billion every year, new dollars, into personal accounts. They are invested and grow over time just like the accounts we offer and propose for Social Security. And people back home always ask me, How come these personal accounts are safe and secure for members of Congress's families but all of a sudden they are a guaranteed gamble for us? How come it is good enough for your families, but not good enough for people who pay your salary?

It is a great question, and my thought is those who claim that personal accounts are such a guaranteed gamble perhaps ought to lead by example and withdraw from the Thrift Savings Plan and see what happens. My guess is they will tell us wait a minute, that is how I am going to build my nest egg. My question is why do we not allow other Americans, the ones who pay our salaries each day, to build their own nest egg as well?

What we are offering for seniors is to preserve it, but for young people we are offering them a choice. For the first time in their lives, they are going to get a choice in Social Security, real dollars in a real account or an IOU in some imaginary government ledger. Real dollars in a real account that build up over time that is theirs, for their retirement, and when they get to 65 they are not begging government for help in Social Security, they are not calling on their Congressman. They are calling on their financial adviser because they built up a nest egg that belongs to them and they have got that power.

And the fact of the matter is that back home in Texas, I always ask two simple questions of the people I work with because they really have great questions on Social Security. And I ask them, personally, they are 50, or 60

years old, they are a baby boomer like me. If they could go back, way back when and put all of that money that has gone from their paycheck in a traditional retirement account and let it grow over the years, would they be better off today than they were under Social Security? And invariably they would say, I would give anything to have that money back. Then I ask, if Social Security could have put that money into real accounts, real dollars into real accounts, and let it grow over the years, would Social Security be better off today than the financial mess it is in? And invariably they answer the same way, yes.

Why not start now to build the same type of security? We know the right thing to do is to move from this pay-as-you-go system that will just run out of workers eventually and actually much sooner than we all wish, to move it to traditional retirement accounts within Social Security so that young people have real dollars in real accounts so that they can rely upon their Social Security. It is, I think, irresponsible by some to scare our seniors. It is irresponsible to ignore this huge crisis.

I call it a crisis because it gets so big so fast. We have got to move now. It costs us \$600 billion a year every year we delay, \$600 billion. The more we talk, it costs taxpayers. Why not, after decades of gabbing about this, let us come together and solve it? And I think too we have to be responsible for our seniors as well, focusing on their health care, making sure that they have their Social Security guaranteed with real cost-of-living increases. That is what the President's proposal does. And, Mr. Speaker, there are so many great ideas out there that have been proposed by Republican Members. I would give anything if any of our Democratic friends who care about Social Security would just come up with a plan. Just an idea. Just anything.

I read this week that they said Democrats will offer no Social Security reform, which is one of the most important issues facing our Nation and our future generations. They have got good ideas, bring them forward. Let us talk about it. Let us work out a solution in a bipartisan way. Let us think beyond the next election. Think about the next generation. I am convinced and optimistic and hopeful we can fix that.

Mr. SHAW. Mr. Speaker, reclaiming my time, it is really sad to say that we only have one Democrat in the House today that had the courage to come forward and defy his leadership. And I might say that that particular Member, who is from the State of Florida, now has had a campaign run against him in his position in his district by a Democrat pack. To me that is absolutely unconscionable.

And I am glad the gentleman held those dollars up. I heard a town hall meeting on C-SPAN just recently by one of the Members, and he kept referring to cash in the trust fund. That is

a myth. There is no cash in the trust fund. The trust fund is made up of Treasury bills, and we are going to be in a position where we are going to have to start cashing those in in 2018. And he talks about the cash, the Congress is going to have to find the cash in order to pay the benefits.

Mr. BRADY of Texas. Mr. Speaker, if the gentleman would continue to yield, could I go back to what he said. Did he say there is a Democrat Member of Congress being attacked for being open to working with the President?

Mr. SHAW. Yes, as sad as that is. There are some bright people on the other side of the aisle that could really help us get this thing done. When I did welfare reform back in 1996, we finally got some help from the other side and President Clinton signed the bill. And that was one of the greatest pieces of social legislation that has come out of the Congress, I think, in the last couple of decades. It was late coming, but it came and we were able to do that. But in order to have the confidence of the American people, this has to be done in a bipartisan way.

Mr. BRADY of Texas. Mr. Speaker, if the gentleman will continue to yield, I will tell the Members one thing the chairman has always said is that this is not Republican Social Security, this is not Democrat Social Security, this is not white or black or any other ethnicity Social Security. This is Social Security for Americans, period. We ought to come together as Americans in Congress on this issue and solve that.

Mr. SHAW. Mr. Speaker, I thank the gentleman for his contribution.

Mr. Speaker, I yield to the gentleman from Georgia (Mr. KINGSTON).

Mr. KINGSTON. Mr. Speaker, I thank the chairman for yielding to me. It is a great honor to be here with so many distinguished members of the Committee on Ways and Means. And I wanted to follow up on the gentleman from Texas's (Mr. BRADY) comments because I think it is important for us to know that President Clinton actually did say many times over that Social Security was in a crisis stage and we needed to do something about it. Similarly, the gentleman from Texas's (Mr. BRADY) former colleague, Mr. Stenholm, co-sponsored a bill with the gentleman from Arizona (Mr. KOLBE) and, as I understand it now, will be working now that he is not in Congress, but he is a Democrat taking a leadership position, which we certainly appreciate, and then of course we had former Senator Breaux from Louisiana, Democrat, and former Senator, now deceased, Moynihan, who have all championed Social Security reform and really have basically supported many of the ideas that the President and the gentleman has promoted.

So I think it is very important for us to tell our friends on the other side we want their ideas. We may not agree with absolutely everything. We might not agree with some of these things

from the start, but we want all the ideas on the table because this is not about Republican or Democrat; it is not about re-election. It is about the next generation, and we need to protect and preserve Social Security for everybody.

So I certainly appreciate what the gentleman from Florida (Mr. SHAW) does, and I appreciate his yielding to me so I could make a point. And I know the gentleman from Colorado (Mr. BEAUPREZ), who has a great financial mind, has some things to say; so I do not want to take up any more time.

Mr. SHAW. Mr. Speaker, reclaiming my time, I appreciate the gentleman's comments. And I know his family well and his kids, and we are going to be working to help them together with mine. And, by the way, I now have 14 grandkids and another one on the way. So the gentleman can see I am going to be working overtime.

Mr. Speaker, I yield to the gentleman from Colorado (Mr. BEAUPREZ), a new member of the Committee on Ways and Means.

Mr. BEAUPREZ. Mr. Speaker, I thank the gentleman for yielding to me. And I thank him as well for bringing this issue to the floor tonight. My suspicion is that there will be many evenings and many days that we spend in this 109th Congress talking about this extremely important issue, and I think he framed the issue very well.

This is in many ways, I think, a classic case of good news. We have got this chart up here again representing a little bit of the challenge in front of us. My parents were young workers at about this point in time, 1945. I was born in 1948. They are a part of these 42 that were working back in 1945 to provide the benefits for one retiree. One might call that one of their parents at the time. So this population of workers, my parents, were out there doing their thing day after day to provide the benefits for one retiree. Now today, which is where we are at now, it is kind of my generation, except we can see the group gets a little smaller. There is but three of us working for the benefits of one. My mother is one of those, and she depends on that paycheck every single month coming from Social Security, her benefits, and they are guaranteed.

And that is a point that I think we cannot make often enough. The full faith and credit of the United States of America, both parties, Presidents from each party over the years have pledged that those benefits are there, and they are there.

□ 1915

There has been this rhetoric going around that somehow somebody has got a devious plot to cut benefits. That is simply not true. The United States has made a promise to our retirees, to our senior citizens, those that worked hard for the benefits of others, and those benefits will be there.

So we start out again with my parents' generation. It took a whole lot of

people to get the work done back then. My dad and mother both were members of farm families. They had eight children in each family, and somehow it took all eight of them just to keep the family going back then.

Today, we get a whole lot more done with fewer people, but again the facts are today we have got about three people paying for one beneficiary.

Now we move on to when I and my wife are going to be retired, and my kids are going to have a little bit of role reversal here. My kids are going to be paying the benefits of us. And by the actuaries' own calculations, there will be but two to provide what at one point in time, not too many years ago, 42 were doing. That is the challenge in front of us.

We get a whole lot more done with a whole lot fewer people it seems in the United States of America now, but the simple arithmetic is not our words; we did not invent it. It is an unsustainable. It is an unsustainable system as it currently exists.

We Republicans were not the first ones to stumble over the problem. As the gentleman from Florida (Mr. SHAW) has already pointed out, we have had a whole lot of support. President Clinton certainly said it. In fact, we have heard that FDR himself, the father of the Social Security system, cited back then, This is but supplemental; this is but a beginning, and you are actually going to have to come up with another method. And he said, We are going to need something like an annuity to provide the additional benefits that are there some day. Well, that some day has finally arrived.

Senator HARRY REID, he understood it. As the gentleman from Florida (Mr. SHAW) already pointed out there is another gentleman, a notable gentleman in this Chamber, a notable Democrat, the gentleman from New York (Mr. RANGEL), ranking Democrat, most senior Democrat on our Committee on Ways and Means, the committee charged with dealing with this issue first and foremost.

The gentleman from New York (Mr. RANGEL) on January 21, 1999, said, I am one Democrat that truly believes that the Democrats will not benefit by doing nothing on Social Security.

Ladies and gentlemen, Mr. Speaker, doing nothing is exactly what the Democrats are today telling us they want to do. They have said no to everything, no to every idea that is out there. No, no, no. No even to the fact of life that there is a problem. They seem to deny the fact that there is a challenge in front of us. So their answer is no.

What has changed between the comment of the gentleman from New York (Mr. RANGEL) in January of 1999, and Senator HARRY REID's comment, February of 1999? I will tell you what has changed. Back then a Democrat President, Bill Clinton was President of the United States, and he was talking

about the need to reform Social Security. Today, George W. Bush, a Republican, is President, and it seems that anything that George W. Bush is for, they are suddenly against, even if it happens to be the blatantly obvious, what their own party has been saying needs to be done for years and years and years.

Let me shift gears just slightly in the time that I have got remaining. You know what this really ought to be about? It ought to be about facts, yes. It ought to be about the truth, yes. But it should also be about generational fairness.

Let me go back to this chart one last time. This generation made a promise and they delivered. Social Security was there and the benefits existed and were paid. That same situation exists today, but as the gentleman from Florida (Mr. SHAW) very clearly pointed out, we have got a big challenge in front of us because the dynamics represented by the reduction in the number of workers to provide the revenue to pay for the benefits, that challenge is getting ever greater. I do not know if it is 2042 or 2043, but somewhere in and around there, we have a huge problem.

I do not want to look at my kids, my four children back home, nor my grandson, and say, The moment was in front of us in the 109th Congress; we had the support, the strength, the encouragement, the power of the President of the United States, and this Congress failed to act.

It is in front of us. And this Congress, Democrats and Republicans alike, should deal with this issue in a forthright, straightforward fashion.

There is another truth that my four children certainly understand. They understand that all four of them are paying with every one of their pay checks into Social Security to provide benefits for retirees today. They know that in Social Security there is no line item that has their name next to it. I think they deserve the right to have their money. Whose money is it?

They understand it. It is their money. And it is their retirement that we are sitting here, charged with dealing with. I think we ought to deal with it in a straightforward, truthful fashion. Fix the problem, fix it for today's generation, but for all generations as well. With that, I yield back to the gentleman from Florida and thank him once again for bringing this critical issue to the floor of the House.

Mr. SHAW. Mr. Speaker, I thank the gentleman for a very enlightened presentation. It certainly contributed very much to sharing with our colleagues the full extent of the problem and making it personal in the way he did, because that is the way it should be for every Member of this body.

I now yield to the gentleman from Texas (Mr. GOHMERT), a freshman member.

Mr. GOHMERT. Mr. Speaker, what a pleasure and privilege it is to share this time with Chairman Shaw, and the

enlightening presentation he made previously.

I came across some information that had been talked about in a local newspaper, *The Examiner*, a new paper, and did some digging. And it is indeed my pleasure in a bipartisan spirit to call attention to statements made or endorsed by certain Senators, including some prominent Democratic Senators who, in 2001, found that Social Security simply was not as efficient as a system that allowed workers to invest their own retirement funds in a personalized retirement account.

Privatization is not a good idea; we are not for that. However, allowing young workers to personalize their retirement by taking a part of their retirement funds and placing them in a personal Social Security savings account that the individual actually owns is a good idea. And we are open to discussion on that. I am proud to be a part of looking at that. Such accounts currently are in place for State and local retirees, and they are performing at least 200 to 300 percent higher than Social Security.

What a great thing, to provide individuals with a decent retirement while preserving Social Security for those that are on it and for those that are over 55 years of age. Such an account could actually be owned by the worker and not by the government. The State and local governments manage the accounts and see that they are safely invested, all a vast benefit for their employees. I was under such a system in Texas as a judge and chief justice. Our retirement account was through the Texas Employee Retirement System.

There are those who say, Mr. Speaker, There is no crisis. You have heard it; we have all heard it. But that is akin to somebody falling off a very tall building and all the way down at each window he is heard to say, "I am doing all right so far." Eventually there is going to be a time of reckoning, and that is exactly what we are looking at with Social Security. We want to avoid that now, while it can still be avoided.

Most agree that in 2018 there will be more money going out of Social Security than there is coming in. Some say that is still no big deal, because Social Security has so much money in the lockbox.

Well, since 1935, when Social Security was created and FDR's Congress immediately began spending that Social Security money, what they put in the lockbox was Federal bonds, which is basically a government IOU.

Mr. Speaker, I heard the gentleman from Florida (Chairman SHAW) talking about that a moment ago. When the outgo gets higher than the income, then what they are going to rely on is not cash in the lockbox, it is IOUs that have been getting stuck in there ever since 1935. That is serious. It creates a major problem looking at us right now, here in the face, and we need to deal with it.

Some say that even though the proposal will not affect seniors, will not

affect those the way it is proposed, it would not even affect those over 55 at all, but it would just allow some young people to put some of their own money in their own retirement account, that that would dry up capital and hurt the economy.

But, Mr. Speaker, that argument flies in the face of the facts. If young people start investing some of their money in a personalized Social Security savings account, and that is not happening right now, then what it does is it creates capital to help the economy. There will be savings that are there as capital that will help the economy and drive it, as the President's tax cut has been doing the last couple of years.

Young people overall are not saving right now. But if they begin now, by their very act of saving, they will create capital and help the economy.

There are some very important principles. First of all, Social Security is in trouble. Second, every day we delay, the naysayers are denying young people the compound interest on a conservative investment that they could be making if the opposing Democrats would get out of the way, would come together with us, let us reason together, come up with a good plan, save Social Security and yet plan for future generations.

Do you think that conservative investment could do much better? Well, there are a bunch of folks that did. In 2001, they signed a letter to that effect, sent out a press release to that effect.

Some real live examples we checked on, got input from these systems. Galveston, Texas, has its own retirement system. If you work until age 65 with an average income of approximately \$35,000, then you will receive over \$2,600 per month. If you did the same thing under the Texas Employee's Retirement System that I was under as a judge, you would be getting nearly \$2,700 a month. Using that same scenario, but under Social Security, you receive less than \$1,300 per month. Mr. Speaker, it is not hard for folks to figure out what would be a good system to plan for the future.

There is apparently a letter, a press release regarding that letter that was signed by a host of Senators regarding Social Security back in 2001. At that time, there were some people that wanted to make those workers that had State and local retirement systems pay into Social Security. These Senators signed this letter in December of 2001, and they were adamant that such personalized accounts outside of Social Security were a far better deal for those workers.

Senators, and you may recognize some of the names, Mr. Speaker, like JOHN KERRY, HARRY REID, EDWARD KENNEDY, CHRIS DODD, JOE LIEBERMAN, they indicated, according to the copy of the release we obtained, "Millions of our constituents will receive higher retirement benefits from their current public pensions than they would under



Social Security.” Those Senators call those retirement funds outside Social Security “well-managed” and “well-funded.”

Additional evidence that such personalized accounts are a good idea is that AARP has its own mutual fund and encourages its members to join the fund, even though its investments are outside Social Security. Apparently they do not consider such a fund to be too risky. It would certainly seem that either such a fund is a good thing to invest in, as AARP is telling some of its members, or AARP is misleading its members and encouraging them to invest in something outside Social Security. If it is a good thing for AARP members, how much better would such a personalized retirement fund be for young people with plenty of time to build a future?

For years I have gotten e-mails saying Congress must be forced to live on Social Security, and we needed to do that. Well, I got elected and guess what I found out when I got here? We are on Social Security. We pay into Social Security. We are going to be part of the Social Security system when we retire.

So we are in it. The only addition is, we are allowed to invest some of our income in retirement accounts, and some of us believe that others besides Congressmen and certain State and local employees ought to have that same right. That is what we are talking about.

I campaigned that we should fix Social Security, but do so without reducing benefits or adding taxes. Mr. Speaker, I cannot tell you how pleased I was to come to Washington and find that the President and so many others, Republicans here, all agree.

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I also personally believe we really ought to eliminate that terribly abusive tax that was added on to Social Security benefits that President Clinton and the Democrat-controlled Congress piled on to the poor Social Security receivers back in 1993. In fact, the Republicans, and even some Democrats back then, were so opposed to taxing that income on Social Security that the Vice President of the United States at that time, Al Gore, had to come to Capitol Hill, cast the tie-breaking vote, just to hammer our good seniors with that brutal tax.

There have been so many inequities in Social Security. One woman reported that though she and her husband both worked their entire lives, that when her husband died, she was getting exactly the same thing that another woman was getting who had never worked or put into Social Security in her whole life. It is easy to understand her frustration at paying into Social Security her whole life, for no benefit whatsoever to her. If she and her husband had been allowed to own their own personalized Social Security savings account, she would have received the benefit of both her and her husband's hard work and investment.

We can do this. We can save Social Security for those that are on it and for those that are paying into it, those over 55, as the President is talking about, and for future generations and, at the same time, create these great personalized Social Security savings accounts for young people so they cannot only survive during their senior years; they can thrive. It would be good for everyone except those wanting the government to keep people enslaved to the Big Brother in Washington.

I applaud those Senators, including Senator KERRY, Senator KENNEDY, and Senator REID, among others, that signed it for their courage and their vision as it was back in December of 2001, when they knew and believed in a retirement system like the President is proposing, that that would be the best thing for folks to invest in.

Now, if their view has apparently flip-flopped since 2001, then, hopefully, we will not have to wait until the year 2020 before their vision returns to being 20/20.

Mr. Speaker, I appreciate so much the efforts of the gentleman from Florida (Mr. SHAW) on behalf of all of us, for senior citizens, to save Social Security, not just for everybody on it now, but for future generations.

Mr. SHAW. Mr. Speaker, I thank the gentleman for a most insightful commentary and also the research that the gentleman did, which I think is terribly important, when we try to show that we do need and we can get and we have got thinking on the other side of the aisle that we need to bring aboard.

I am now proud to yield to a new Member, the gentleman from Georgia (Mr. PRICE).

Mr. PRICE of Georgia. Mr. Speaker, what a pleasure it is to join my colleagues who have spoken this evening about this incredibly important topic. The gentleman mentioned that I am a physician. Mr. Speaker, we are all prisoners of our education and our training; and as a medical doctor, I know that you cannot treat the right disease unless you make the right diagnosis, and public policy should not be any different. We should not be making policy here in Washington without a specific aim, and this is especially true for the big challenges that we have before us, and Social Security is indeed one of those.

Mr. Speaker, my colleague talked about principles, and I think it is extremely important to outline what those principles are. I would just like to kind of review those, because this is not about Social Security; it really is about retirement security, retirement security for every one of us. We all want to be sure that our golden years are golden, that a secure retirement is available to all Americans.

Now, what should those principles be? What kind of principles should we keep in mind? Well, first and foremost, I think it is important that we say that it is a promise and we recognize that it

is a promise. I believe that Social Security is not just a government-run program, or a government program; that it is more of a safety net. And it is more than a safety net; it is a solemn promise. It is a solemn promise by the United States, by all of us, to generations of hard-working Americans. Washington took money from your paycheck your entire life, and they made a promise to return that money to you upon your retirement. It is a promise.

The second principle is peace of mind. Current retirees and those nearing retirement deserve peace of mind, knowing that they will receive full benefits for their entire retirement. There should be no change for those currently retired. They need that peace of mind.

Third, we have heard mention tonight about generational fairness. It is imperative that we save and secure Social Security so that our children and our grandchildren receive the same benefits we have enjoyed. Generational fairness is imperative.

Another principle: it should not be partisan. When it comes to the retirement of tens of millions of Americans, there are not any Democrats and there are not any Republicans; there are only Americans. And those Americans, they are counting on us to work together and do what is right for the current generation now receiving benefits, for the next generation who are paying those benefits, and for future generations who are now just entering the workforce.

Finally, all Americans, we have to remember here that it is your money, that it is your future, and that it is your life.

So it is a promise. We all deserve peace of mind; there ought to be generational fairness. It should not be partisan, and it is your money. We all ought to agree on those principles.

Now, with these principles in place, what are the facts? What is that correct diagnosis that I talked about earlier? There are those who believe that Social Security is not broken and that we can continue down this path with only a few minor adjustments. Now, most of us who are interested in honest solutions to the challenges before us do not believe that. In fact, as we have heard tonight, even President Bill Clinton in an address in February of 1998 talked about “the looming fiscal crisis in Social Security.” So it is very real, and we cannot ignore it.

Now, that correct diagnosis, the correct diagnosis is that Social Security is broken and must be fixed. Social Security is broken and must be fixed.

Now, our current situation is the product, I believe, of two things, two things: inertia and our changing demographics. There is an inherent inertia in government at any level. Once a program begins, it is tough to change it. We know that. It occurs at all levels of government, from local all the way up. Social Security is no different. It is

now 70 years old, and there has been a little tinkering, but no fundamental update or modernization. And boy, the world has changed in the past 70 years, has it not? Remarkably, too.

Seventy years ago, we were in the midst of the Great Depression. FDR was President; Babe Ruth hit his last three home runs in one game to set his career record; Elvis Presley was born 70 years ago. Seventy years ago Parker Brothers released the board game Monopoly, nylon was discovered, and the construction of the Hoover Dam was just completed. Seventy years was a long time ago.

Now, what about our demographics? What about our population? How have they changed? I think it is clear that when Social Security began, when it was first designed, it was for a different generation and a different America. There are at least four specific facts that have me convinced that that old system is no longer workable for our society. It is no longer secure.

First, our Nation has matured from a time when men were the majority of the workforce and the life expectancy was about 60 years old. I have always found that it is curious that when the Social Security program began, the benefits would begin for individuals at a point in time when the average individual would not even live to that date. Only Washington can institute a program like that and have folks continue to praise it.

Now, today, in the majority of households, both men and women are working, and our life expectancy is significantly over 70 years, so we are living longer, healthier lives, and that trend is only going to increase. Now, this is very good for all of us, but it is not good for our outdated Social Security system.

Second, when the system began 70 years ago, and we have heard this this evening as well, there were 41 workers for every retiree. I would like to have my colleagues think about these numbers: 41, 16, 3, and 2. When Social Security began, there were 41 workers for every retiree. In 1950, there were 16 workers for every retiree. Now, there are about three workers for every person who has retired and in the not-too-distant future that number will be down to two. Now, those numbers just do not work. This is clearly unsustainable, and we cannot have our children and grandchildren punished, and that is what will happen if we do not act now.

Third, the baby boom generation is about to begin retiring; and when that happens, the program starts to have real problems. Now, when will they retire? Well, the average age of retirement is 62 years old, and the baby boomers began in 1946, so you do the math. Mr. Speaker, 1946 plus 62 adds up to 2008. That is 3 years away. 2008 is when the baby boomers begin to retire. Mr. Speaker, 2008. A child born today will not even be in kindergarten yet. So the problem is right around the corner.

Fourth, the return on your Social Security dollars that we have had today is frankly an embarrassment. A mere 2 percent and for many, even less than that, less than 2 percent. That is not enough to retire with a nest egg; that is not enough to retire with security. To me, the current system looks like a greater risk than trying an alternative approach. More retirees, fewer workers, less money.

Now, all of these are facts, and facts are the same regardless of whether you are a Republican or a Democrat. So the picture that we paint is not a very pretty picture. We must put the "security" back in Social Security.

I think it has been mentioned this evening but, Mr. Speaker, we know that with each passing year, each year that goes by where we do not fix Social Security, the bill to our children and our grandchildren increases by \$600 billion. That is right; \$600 billion for each year we do not do anything. Fixing Social Security is a matter of fairness, fairness for the current generation of retirees and fairness for generations to come.

So we ought to act now. The Social Security trustees, the Comptroller General of the United States, and the chairman of the Federal Reserve Board all agree that the sooner we address the problem, the smaller and less abrupt the changes will be for all individuals and their families.

So I talked about those principles: promise, peace of mind, nonpartisan, generational fairness, and your money. These ought to be our principles. We should focus on the facts, study the issues and alternatives, vigorously debate it, and then act. Social Security has worked for decades and for generations, but this current system is outdated, and it does not meet the needs of you or of our society. It is not secure.

So I ask my colleagues on both sides of the aisle to take the time now; let us get to work. I look forward to this discussion; and I urge all of us, all of us to make a commitment to themselves, to our children, and to our grandchildren to solve the current situation. Not acting now would be irresponsible, as would saying that there is no problem or that little needs to be done.

So, Mr. Speaker, I urge this House, I urge the Senate, and I urge the President to work together to find a responsible and a secure solution. I thank the gentleman so much for allowing me to take part in this discussion this evening.

Mr. SHAW. Mr. Speaker, I thank the gentleman for a very well-prepared and well-documented statement.

I would like to close with a couple of quotes. The first is I would like to quote President Clinton at Georgetown University on February 9 of 1998. This is an exact quote. He said, "So that all of these achievements, the economic achievements, our increasing social coherence and cohesion, our increasing efforts to reduce poverty among our

youngest children, all of them are threatened by the looming fiscal crisis in Social Security." The looming fiscal crisis in Social Security. I could not express it better.

President Bush, in this hall on February 2, just a couple of weeks ago said, "One of America's most important institutions, a symbol of the trust between generations, is also in need of wise and effective reform. Social Security was a great moral success of the 20th century, and we must honor its great purposes in this new century. The system, however, on its current path is headed towards bankruptcy. And so we must join together to strengthen and save Social Security." We must join together to strengthen and save Social Security.

We have been made a steward of this great country, the greatest country that has ever been on the face of this Earth, in keeping the promise of Social Security far into the future and giving millions of seniors the dignity, the peace that they so richly deserve.

Mr. Speaker, I am grateful for this time in which we can present this most important message, this message that crosses generations, the Greatest Generation to the youngest generation. It is time for this Congress to come together. I am disappointed that we have not seen participation in this effort from the other side of the aisle. Perhaps it will be coming, because Americans deserve nothing less from their elected representatives, Democrats and Republicans, than to save this most important program to keep our kids and our grandkids in their senior years, and make it so that they can live in dignity and not in poverty.

Mr. CAMP. Mr. Speaker, I want to thank Chairman SHAW for leading this important effort to highlight the problems facing the current Social Security system.

Since the creation of the Social Security program, older Americans continue to count on guaranteed benefits to support them in their retirement. Social Security benefits must be there for every American who pays into the system. The President and the Republican Congress are committed to making sure Social Security is there for the worker who retires, is there for the widow who needs that extra source of income, and is there for the disabled who need that helping hand each month. I want to make sure these benefits continue for future generations of Americans.

To ensure the continued solvency of the Social Security program Congress and the President must face the facts that by 2018—less than 15 years from now the program will begin to pay out more in benefits than it currently collects. The outlays will be more than the revenues coming in. How can my Democratic friends ignore this reality? Fifty-five years ago, there were 16 workers for every one Social Security beneficiary. Today, there are three workers for every one beneficiary. The numbers don't improve from here on out. If we postpone the inevitable and do nothing to reform the current system, today's worker will be left with a Social Security program that has nothing to pay out. While some policymakers

may hope that a magic wand miraculously rescues the current system from future bankruptcy, the reality is that Congress and the President must work together now, make necessary reforms, and save Social Security. That is what we were elected to do—make decisions and implement policies that help Americans now and in the future. To not do so is frankly irresponsible.

My Democratic colleagues argue that we don't need to do anything to reform Social Security. Many suggest that the magic elixir for Social Security is repealing the sensible tax cuts Congress and the President signed into law over the past four years and stashing the money in the Social Security Trust Fund. Tax increases will not rescue Social Security. This approach, which they have used to fund every one of their policy proposals, will restrain the economic growth we have experienced over the past several years. Since the Republican Congress passed the 2001 Jobs and Growth Tax Relief Act, the U.S. economy has rebounded, millions of new jobs have been created, and business investment is the best it's been in seven years. Repealing these tax cuts will hurt the U.S. economy and in turn, do nothing to save Social Security.

I urge my colleagues on both sides of the aisle to put every idea and all the options on the table so we can begin to examine how to preserve and protect Social Security for today's seniors and future beneficiaries.

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#### HONORING THE BOY SCOUTS OF AMERICA

The SPEAKER pro tempore (Mr. BOUSTANY). Under a previous order of the House, the gentleman from Pennsylvania (Mr. FITZPATRICK) is recognized for 5 minutes.

Mr. FITZPATRICK of Pennsylvania. Mr. Speaker, I rise in support of H. Con. Res. 6, which is on the agenda of the United States House of Representatives today, expressing the support of the United States Congress for the Boy Scouts of America.

Mr. Speaker, I also rise as a lifetime Scouter and a very proud Eagle Scout. As a matter of fact, this week marks the 95th anniversary of the incorporation of the Boy Scouts of America. It was February, 1910 that the Boy Scouts of America were incorporated in New York. They stood for a set of values. They stood for something. They stood on a set of principles, teaching young men to be trustworthy, loyal, helpful and friendly.

If you think about it, there are not many organizations around today who were around 95 years ago that stand for the same things today that they stood for back at the time of their inception, back at the time of their incorporation, teaching young men to be courteous, kind, obedient, cheerful, thrifty, brave, clean and reverent to God. That is what the Boy Scouts of America stand for. It is what they have always stood for.

The Department of Defense, the United States military, have always been encouraged by the United States

Congress. Of course, the Congress provides one of the very few congressional charters to the Boy Scouts of America. The Congress has always supported the Boy Scouts.

They have always encouraged the Department of Defense to support the Boy Scouts of America, as well. As a matter of fact, this coming year, the Boy Scouts will hold a quadrennial national jamboree at Fort A.P. Hill in Virginia, not too far from the Nation's Capital.

This resolution encourages the Department of Defense to continue support of the Boy Scouts of America. I believe it is the sense of Congress and also the sense of the citizens of the United States of America that we continue to support the Boy Scouts.

#### 30-SOMETHING DEMOCRATS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 2005, the gentleman from Florida (Mr. MEEK) is recognized for 60 minutes as the designee of the minority leader.

Mr. MEEK of Florida. Mr. Speaker, it is always an honor to come before the House and also the American people in this great democracy of ours to address issues that are facing our Nation right now.

I must say that earlier today we had an opportunity, the Democratic Caucus meeting and afterwards, having comments with not only the media, but other members of our caucus about the needs of Social Security.

It is important that we make sure that Social Security is secured for years to come. We know that a number of Americans count on and look forward to Social Security being a part of their lives not only in retirement, but also in their everyday lives. We have 48 million Americans that are involved in Social Security right now, and they are not all retired. Many of them are in school. Many of them are middle-aged individuals.

Tonight we are going to have a number of Members from the 30-Something Working Group, which I must add, Mr. Speaker, started in the last Congress, in the 108th Congress. I cochair that working group with the gentleman from Ohio (Mr. RYAN), and we are going to have a number of Members who are very, very concerned about the principles that not only the President but the majority side have put together as the way to save Social Security.

I will be sharing a few of my comments along the way, but I want to make sure that my colleagues have enough time to share their concerns about what is happening, and the lack thereof that should happen, to make sure that Social Security is not only here for those that are enrolled now, but those that will be enrolled in the future.

We know that every American participates in the Social Security program. We also know the average benefit of the person receiving Social Se-

curity now is \$955 a month. I think it is important that we pay very close attention.

Now, here in this Chamber last week, and I would say, around this time, the President came into a joint session of the Congress on the State of the Union and said that Americans over the age of 55 do not have to worry about the changes that he would like to make to the Social Security plan.

I must say that that brought amounts of concern throughout the country not only with me and Members of Congress on both sides of the aisle, but many Americans. It was almost saying that if you are 55, do not worry about it; if you are under 55, trust us. And I can tell you that when we start dealing with generational Social Security, or one generation against the other, I think that is very dangerous. Social Security was never designed to deal with one segment of the population, giving them certain benefits, and another segment, not giving them benefits.

But I just want to mention a few guiding principles that we should think about here tonight. Number one, we should try to make sure that we have a Social Security plan, that we are not borrowing from the Social Security trust fund. The Social Security trust fund is there to make sure that when we have a rainy day, or when we have a shortfall, we are able to go to that trust fund.

What the President and the majority side are proposing now, they are saying that we are going to help save Social Security, but at the same time we are going to take us \$2 trillion more into debt over the next 10 years. There has to be a better way to make sure that we deal with the Social Security issue.

Social Security is not at a crisis point. I have heard many Members, through press clips and press accounts and even here on this floor, say that there is a crisis, that there is a fire, that Social Security is going bankrupt, it is going belly up. That is not true. And I hope that through a bipartisan debate and a bipartisan plan, and I am not talking about one or two members of the Republican Caucus, I am talking about this entire Congress because we all have Social Security recipients that are our constituents that are counting on us to be able to make sure that Social Security is solvent for many years.

Mr. Speaker, I will suspend on my comments right now, but I have my co-chair here, the gentleman from Ohio (Mr. RYAN). He is a distinguished member in his own right.

We have the privilege of serving on the Committee on Armed Services together and even on the same subcommittee. It has been indeed a pleasure working with him. He is also on the Committee on Education and the Workforce and Committee on Veterans' Affairs. And he is a well-studied gentleman that I hold in high regard.

Earlier today I was talking with the gentleman about what we share with